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GUS-0403

Cy 2 of 3

22 April 1960

MEMORANDUM FOR: Chief, Contracts Branch, DP Division

THROUGH : Acting Chief, Development Projects Division *W.B.*

SUBJECT : Disposition of Materials and Residual under
Contracts Nos. DM-1926 and HL-4646,
 Project
GUSTO.

REFERENCE : Memorandum to DD/P, dated 19 April 1960,
from AC/DPD, same subject. (GUS0401)

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I am returning herewith the referenced memorandum which I have approved. My understanding is that, by the terms in paragraph 4.a., we would retain ownership and custody of the final and most advanced electronic model of the proposed Convair vehicle. I use the word "model" to refer to the full-scale mock-up on which measurements were conducted at Indian Springs. I assume we will also retain in our possession or receive from complete records of the electronic measurements on this mock-up. I believe it is essential that we retain these items for possible use in the unlikely contingency that the A-12 develops serious electronics troubles and that we wish to demonstrate to Lockheed the electronic performance achieved with an alternate configuration. My approval is contingent on the correctness of the above understanding as to our retention of these items.

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SIGNED

Cys 1 & 2 - CB/DPD
3-DD/P
4-A/CH/DPD
5-C/DB/DPD
6-C/Mat/DPD
7-Finance/DPD
8-BI/DPD

RICHARD M. BUSELL, JR.
Deputy Director
(Plans)

DOCUMENT NO. 67
NO CHANGE IN CLASS. ☒ *X*
☐ DECLASSIFIED
CLASS. CHANGED TO: TS S C 2011
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: 250681 REVIEWER: Q10956

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19 APR 1960

MEMORANDUM FOR : Deputy Director (Plans)

SUBJECT : Disposition of materials and residual under
Contracts Nos. JM-1926 and HL-4646, [redacted]
[redacted], Project

REFERENCE : Memorandum for the Record, CHAL-0942-60

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1. This memorandum sets forth a recommendation submitted for concurrence of the Deputy Director (Plans). Such recommendation is contained in paragraph 5.

2. During the Contracting Officer's recent trip as described in the referenced memorandum, several questions were posed by the subject Contractors regarding disposition of residual under their GUSTO contracts. Because of the high dollar value of this residual and the sums of money invested by the Agency in this program, it is felt that as a matter of policy this should be brought to your attention.

3. In the case of [redacted], the Contractor had generated a considerable amount of residual property consisting of:

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- a. Raw materials
- b. Parts in process
- c. Completed parts and components
- d. Two complete ramjet engines
- e. Tooling
- f. Technical data

The Contractor, acting in accordance with previous instructions from the Contracting Officer (coordinated with [redacted] and the Development Branch), has disposed of by transfer to existing Government contracts in house, all usable common materials, parts and components. Appropriate credits have been made to our contract. Contractor expressed a desire to sanitize and retain technical data produced under the contract and has submitted a final report of the work accomplished in a "sterile" form. All peculiar materials, parts, components, the completed engines and tooling have been held in temporary storage pending a

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requirement by the Project or the Air Force for possible future use. The Contracting Officer has been advised by [] that the Project has no further requirement for this material. [] of the Air Force has advised that his organization has no known requirement. However, the "sterile" version of the final report is being made available to him for coordination with the Wright Air Development Center Power Plant Laboratory as a last resort. In the event the Air Force has no requirement, it is proposed that the Contractor be instructed to destroy and scrap all peculiar materials which are sensitive from a security standpoint. All other materials which may have a possible use on other Government work will be retained by the Contractor under Government property control procedures. The Contractor will certify that such material will be used at no cost on other Government contracts only. Your concurrence in this method of disposition is requested.

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4. At [] the following types of material were generated under the contract and must be disposed of:

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- a. Electronic models
- b. Wind tunnel models
- c. Raw materials
- d. Parts
- e. Tools and fixtures
- f. Facilities
- g. Technical data

During the meeting with [] as mentioned in the referenced memorandum, the Contractor was given instructions as follows:

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- a. The Project would be responsible for all models and materials left at []
- b. Pending approval of Project Headquarters, the Contractor could retain all wind tunnel models.
- c. [] was to dispose of all materials, parts, tooling and fixtures of a non-sensitive nature by scrap or transfer to Government OPFF inventories for use on other Government contracts.
- d. All electronic models and sensitive materials, parts and tooling were to be destroyed and scrapped, if possible.
- e. [] was to furnish one copy of all reports generated under the contract and not heretofore submitted. Subject to Project Headquarters approval, Contractor desired to retain in a sanitized form all drawings and all design and technical data generated under the contract.

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f. [] had acquired and charged to the contract the facility type items on the attached list. Item 4 (Blue Print Machine) and two (2) each of Item 5 (Calculators) had been siphoned off to Perkin-Elmer for the OXCART program. However, Item 5 was too large to fit through their door and is presently in the [] is presently using all of the items under other Government contracts and requested that they be allowed to retain the remaining items. However, the list has been screened by LAG, P&W and Materiel Branch for use in the OXCART program. LAG has requested Item 2 (Ditto Machine) and four (4) each of Item 5 (Calculators). P&W has requested Item 1 (Bruning Vacuum Frame), the balance of Item 5 (Calculators) and Item 7 (Rotary Furnace). Materiel Branch has requested Item 6 (Motor Scooters) for use at the Ranch. If these requests were honored this would leave only Item 3 (White Printer) at []. This would be transferred to their Air Force Facility contract for accountability purposes and would be used only in the performance of Government contracts. It is proposed that appropriate elements of DPD review the above requests and approve or disapprove the requirement for transfer from [] of the facilities.

5. Based upon the foregoing, it is recommended that you grant approval for the Contracting Officer to make disposition of the residual inventories under the subject contracts as set forth above.

SIGNED

[]
Colonel, USAF
Acting Chief, DPD-DD/P

The recommendation contained in paragraph 5 is approved:

/s/ See Ser-6403
RICHARD M. BISSELL, JR.
Deputy Director (Plans)

22 Apr 68
Date

DPD-DD/P [] (8 Apr '60)

Distribution:

- Cy 1 - CB/DPD (HL-4646)
- ✓ 2 - CB/DPD (JM-1926)
- 3 - DD/P
- 4 - A/CH/DPD
- 5 - CH/EB/DPD
- 6 - CH/MAT/DPD
- 7 - Finan/DPD
- 8 - RI/DPD

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CONCURRENCES:

SIGNED
[Redacted]
Special Assistant for
Technical Analysis

8 Apr 1960
Date

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for
[Redacted]
Chief, Development Br., DPD

8 Apr 1960
Date

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[Redacted]
Chief, Materiel Branch, DPD

18/4/60
Date

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SIGNED
[Redacted]
Chief, Contracts Branch, DPD

4/8/60
Date

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PROJECT FACILITIES AVAILABLE

<u>ITEM</u>	<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>
1	1 <i>Con</i>	Bruning Traveling Light Vacuum Frame #5236L 64" x 180" complete with Vacuum Pump and Blanket, but not including glass	\$ 9,950.00	\$ 9,950.00
2	1 <i>VAC</i>	Duplicator, Electric, DITTO 18D75. Copy surface is 18" x 13 1/2" and machine is cream and green in color.	1,353.28	1,353.28
3	1 <i>Con</i>	Printer, White, Peck and Harvey Lancer Model with Variac Lamp intensity control from 5000 watts to 3000 watts. Power is 208 volts, 60 cycles, single phase.	5,269.00	5,269.00
4	1 <i>Chase</i>	Blueprint Machine, Revolute M4 Automatic, 42", equipped with 150 watt quartz lamp 8 drum aluminum vertical dryer, high paper delivery, to operate throughout the entire speed range or 0 to 45 ft. per minute, wired for operation on 208 volts, 60 cycle, three phase A.C., machine equipped with stainless steel bearing hangers, rollers, chemical applicators, bulger bars in processor and Teflon coating two dryers, and including reversing switch.	11,375.00	11,375.00
✓5	17 <i>VAC</i>	Calculators, Rotary, automatic, electric, Monroe Model # 8N213	932.80	932.80
	3 <i>Pond</i>	Scooter Motor, 2 passenger, 4 wheel, 12 volt ignition system, equipped with horn, head lights, tail lights, starter and generator combination, 7 quart gas tank and standard air filter, tires 18 x 5.50-8.	926.84	2,780.52
✓7	1	Rotary Furnace, Arcweld, 6 unit with Kanthal windings for maximum temperature of 2200 F and with Model #293-TCB Wheelco Capaciline Controller.	7,025.00	7,025.00 ✓

Temp Range

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